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## Prepaid-Legal Plans Gain in Popularity

Union Plan Effective Here

### Prepaid Legal Aid on Rise

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A construction laborer in Washington needs a lawyer to adopt a child, draft a will and fight a charge of driving while intoxicated.

The cost to the laborer? Three cents an hour out of his paycheck.

A white-collar employee of the Baltimore city government needs an attorney for settlement on a house. It costs \$8 a month, deducted from the employee's paycheck.

These two workers have one thing in common. They belong to prepaid legal service plans, a fringe benefit that many specialists expect will follow health plans in to universal acceptance and vastly alter middle- and lower-class access to legal assistance.

"This, in my humble opinion, is the most wonderful thing we've ever introduced for our people," said Robert W. Lee, secretary-treasurer for former president of Building Laborers Local 456. "A man goes out and gets into a little bit of trouble and doesn't have any money. With this he can get it taken care of."

The legal services plan for

10,000 families in the Laborers' District Council of Washington and vicinity—Local 456 and seven other locals in the District, Maryland and Virginia—is the largest plan of its kind in the nation, and legal services specialists say, one of the best.

It is the only one in this area with significant operating experience, having been started in 1973. The Teamsters are negotiating for similar programs as their contracts expire and a large number of unions in Balti-

See LEGAL, A16, Col. 3

more have joined prepaid programs since last spring.

The Laborers' Council membership is 99 per cent male, and 85 to 90 per cent black, with members' annual family income ranging from \$4,000 a year for new workers and those who have had long periods of unemployment to more than \$15,000 for steadily employed men with working wives.

For their 3 cents an hour—reduced from 4 cents in January—they receive nearly complete coverage anywhere in the continental United States. There is a limit of \$1,000 on criminal felonies and intraunion disputes and court-appointed attorneys are not covered.

Richard Scupi, a labor lawyer who has directed the Laborers' Council program since its inception and heads a staff of seven other lawyers, describes the plan as three law offices—Maryland, Virginia and D.C. specialists—owned and controlled by the workers.

"If they're not happy, they let us know," Scupi said. "I hear every complaint."

His view is reinforced by Henry Brock, president of Laborers' Local 74 and a trustee of the program, who said, "If they didn't give us good service we'd fire them and get somebody else. We control it."

The caseload for the plan has grown from 1,000 the first year to 1,363 the second and 1,648 during past year, with 85 per cent of the cases handled by the staff and 15 per cent by other lawyers retained by the staff. Half the cases have originated in the District, 29 per cent in Maryland, 20 per cent in Virginia and 1 per cent in other areas. Twenty-nine per cent of the cases are traffic-related, 8 per cent are marital and 9 per cent each are housing, public benefits and criminal. There has been at least one murder case.

Use of the law plan increases as the member becomes more familiar and trusting, both Scupi and union leaders said.

"You just have to teach the members," said Lee, of Local 456.

"Once they get a hold of it, they won't let go. It just solves a whole lot of problems. If you can't solve a problem it's best to call your attorney. I'm telling the truth and I'm not sugar-coating it. This program just works perfect."

The Baltimore unions, including the city's white-collar Classified Municipal Employees Union, are in a plan run by the Portement Association, Inc. Portement has 10 Baltimore-area law firms on retainers and these firms handle the members' problems.

is now receiving an "excellent reception" from the Maryland bar.

"The climate has changed drastically in the last 1½ years. What caused the change? Sandy DeMent and the Justice Department."

DeMen, Broadman, Scupi and Jules Bernstein, associate counsel for the Laborers' International, now predict that prepaid legal service plans are nearing a point of rapid acceptance and expansion from the rough estimate of a half-million Americans now covered.

"The history of fringe benefits is that initially there is no great membership demand," Scupi said. "The leaderships must first be educated. The plans will come because other union leaders will try to get for their members what the Laborers have gotten. I don't know when it's going to take off, but it is going to take off."

Bernstein, a member of the board of the consumer group, said, "If you pair it with health or eyeglasses or psychiatric plans, I'd say we are doing better from the point of time. It's natural for unions. Unions are egalitarian and this offers an opportunity to develop social and judicial equality."

Bernstein and Scupi both cited the depressed economy of the past few years as slowing the growth of the plans. "Without a job or food, legal services are a luxury," Bernstein said.

"We now have a very anomalous situation," he said. "There is a superabundance of lawyers, with many of them unable to find work in the law and schools pouring more and more of them out all the time."

"At the same time, millions of low and middle-income people can't afford or don't know how to obtain a lawyer," he said.

"What we are trying to do is put the consumers and the lawyers together in an effective way—so that the consumer has access to quality with enough control to insure he gets what he pays for," Bernstein said.

The Taft-Hartley Act was amended

to include legal programs among the fringe benefits for which unions could negotiate and last week the Senate voted to exclude from taxes the funds contributed by employers to prepaid legal plans. This action, if it is finally enacted, would remove a major stumbling block from the path of expansion for such programs.

Another major factor contributing to the expansion of these programs is the existence of the National Consumer Center for Legal Services and the related Resource Center for Consumers of Legal Services. The Washington-based, nonprofit centers battle "delivery systems of legal services, filing law suits against recalcitrant bar associations and publishing packets of information on how to start prepaid legal programs."

The boards of directors include George Meany, president of the AFL-CIO; I. W. Abel, president of the United Steel Workers; Leonard Woodcock, president of the United Auto Workers; Jerry Wurf, president of the American Federation of State, County and Municipal Employees; Roy Wilkins, executive director of the NAACP; Jack Greenberg, director of the NAACP Legal Defense Fund; Msgr. George Higgins, director of the U.S. Catholic Conference division for urban life; and Arthur J. Goldberg, former associate justice of the U.S. Supreme Court.

Sandy DeMent, chief lobbyist for the consumer center, and Ellen Broadman, editor of the resource center's monthly publication, New Directions in Legal Services, both say a primary goal of their movement is the maintenance of control of the plans by the users to avoid the sort of cost spiral that afflicted medical care as insurance programs came in.

Blood, recalling that he had been told by a lawyer two years ago that he could be thrown in jail for starting a prepaid program in Maryland, said he

George Blood, president of Fortement, said he has signed up 40 union organizations and has 40,000 paying members in his programs.

"There's not really any end in sight to our growth," Blood said. "What these people are getting is equal rights they never had before. Everybody is entitled to equal rights as long as they can afford an attorney. If they can't, they just don't have equal rights."

William Dix, president of the classified workers who entered Blood's program in March, said it "seems to be working out very nicely. The quality of representation is good and how else can an employee who is not making over \$20,000 a year afford to go out and hire an attorney?"

A few prepaid legal plans have existed for years, but until recently always faced opposition from bar associations. A series of Supreme Court decisions upheld the plans in 1973 and a bitter controversy within the American Bar Association apparently ended in 1975 with the relaxation of restrictions on such programs. Bar groups in a few states are still fighting the plans, but not in the Washington area.